Exhibit 26

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2009

or

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES AND EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission File Number 0-24363

INTERPLAY ENTERTAINMENT CORP.
(Exact name of the registrant as specified in its charter)

DELAWARE	33-0102707
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

100 N. CRESCENT DRIVE, BEVERLY HILLS, CALIFORNIA 90210
(Address of principal executive offices)

(310) 432-1958
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [_]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [X]	Smaller reporting company [ ]

Indicate by check mark whether the registrant is shell company (as defined in Rule 12b-2 of the Exchange Act) Yes [ ] No [X]

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

CLASS	ISSUED AND OUTSTANDING AT MARCH 31, 2009
Common Stock, $0.001 par value	113,595,268

s of March 31, 2009, 113,595,268 shares of Common Stock of the Registrant were issued and outstanding. This includes 4,658,216 shares of Treasury Stock.

INTERPLAY ENTERTAINMENT CORP. AND SUBSIDIARIES

FORM 10-Q

MARCH 31, 2009

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INTERPLAY ENTERTAINMENT CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	MARCH 31, 2009 (unaudited)	DECEMBER 31, 2008
ASSETS		
Current Assets:		
Cash	$ 124,000	$ 0
Trade receivables, net of allowances of $6,000 and $6,000 respectively	63,000	87,000
Inventories	1,000	1,000
Intellectual properties	126,000	0
Deposits	7,000	7,000
Prepaid expenses	5,000	11,000
Other receivables	8,000	9,000
Total current assets	334,000	115,000
Property and equipment, net	44,000	48,000
Total assets	$ 378,000	$ 163,000
LIABILITIES AND STOCKHOLDERS' (DEFICIT)		
Current Liabilities:		
Drawing in excess of cash balances	$ 0	$ 24,000
Convertible note payable	0	53,000
Note payable to officer and directors	475,000	469,000
Account payable	1,252,000	1,186,000
Accrued royalties	30,000	23,000
Deferred income	818,000	710,000
Total current liabilities	2,575,000	2,465,000
Commitments and contingencies		
Stockholders' Deficit:		
Preferred stock, $0.001 par value 5,000,000 shares authorized; no shares issued or outstanding,		
Common stock, $0.001 par value 300,000,000 shares authorized; 113,595,268 and 108,140,301 shares issued and outstanding in 2009 and 2008	113,000	108,000
Paid-in capital	122,658,000	122,309,000
Accumulated deficit	(125,106,000)	(124,842,000)
Accumulated other comprehensive income (loss)	138,000	123,000
Treasury stock of 4,658,216 shares	0	0
Total stockholders' (deficit)	(2,197,000)	(2,302,000)
Total liabilities and stockholders' (deficit)	$ 378,000	$ 163,000

INTERPLAY ENTERTAINMENT CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	THREE MONTHS ENDED MARCH 31, 2009	THREE MONTHS ENDED MARCH 31, 2008
Revenue	$ 93,000	$ 57,000
Cost of goods sold	26,000	0
Gross profit	67,000	57,000
Operating expenses:		
Marketing and sales	0	0
General and administrative	310,000	343,000
Product Development	65,000	67,000
Total operating expenses	375,000	410,000
Operating (loss) income	(308,000)	(353,000)
Other income (expense):		
Interest expense	(10,000)	(9,000)
Other	54,000	18,000
Total other income (expense)	44,000	9,000
Income before benefit for income taxes	(264,000)	(344,000)
Benefit for income taxes	--	--
Net income (loss) available to common stockholders	$ (264,000)	$ (344,000)
Net income (loss) per common share:		
Basic	$ (.002)	$ (.004)
Diluted	$ (.002)	$ (.004)
Shares used in calculating net income (loss) per common share:		
Basic	108,937,052	99,197,418
Diluted	108,937,052	99,197,418

See accompanying notes.

INTERPLAY ENTERTAINMENT CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN CASH FLOWS
(Unaudited)

	THREE MONTHS ENDED MARCH 31, 2009	THREE MONTHS ENDED MARCH 31, 2008
Cash flows from operating activities:		
Net (loss) income	$ (264,000)	$ (344,000)
Adjustments to reconcile net (loss) income to cash (used) provided by operating activities:		
Depreciation and amortization	4,000	2,000
Additional Paid in Capital - Option Expense	4,000	1,000
Issuance of warrants	23,000	--
Issuance of common stock	174,000	--
Additional paid in capital	5,000	--
Changes in operating assets and liabilities:		
Trade receivables from related parties	24,000	(32,000)
Trade receivables, net	--	--
Intellectual properties	(126,000)	--
Deposits	--	(3,000)
Prepaid expenses	6,000	(4,000)
Other current assets, net	1,000	4,000
Accounts Payable	66,000	(142,000)
Accrued royalties	7,000	(200,000)
Convertible note payable	(53,000)	--
Note Payable Officers	6,000	8,000
Deferred revenue	108,000	(8,000)
Accumulated other compensation income	15,000	(5,000)
Net cash provided by (used in) operating activities	--	(723,000)
Cash flows from investing activities:		
Purchase of property and equipment	--	(42,000)
Net cash used in investing activities	--	(42,000)
Cash flows from financing activities:		
Repayment of current debt	--	(53,000)
Sale of common stock	148,000	--
Net cash provided by (used in) financing activities	148,000	(53,000)
	148,000	(818,000)
Cash, beginning of period	(24,000)	1,138,000
Cash, end of period	$ 124,000	$ 320,000
Supplemental cash flow information:		
Cash paid for:		
Interest	$ --	$ --
Taxes	$ --	$ --

Supplemental Disclosure of Non-Cash Financing and Investing:

Acquisition of intellectual property for common stock	$ 126,000	$ --
Conversion of note payable for common stock	$ 53,000	$ --

See accompanying notes.

INTERPLAY ENTERTAINMENT AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2009
(Unaudited)

NOTE 1. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of Interplay Entertainment Corp. (which we refer to as the "Company" in these Notes) and its subsidiaries reflect all adjustments (consisting only of normal recurring adjustments) that, in the opinion of management, are necessary for a fair presentation of the results for the interim period in accordance with instructions for Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all information and footnotes required by accounting principles generally accepted in the United States ("GAAP") for complete financial statements. The results of operations for the current interim period are not necessarily indicative of results to be expected for the current year or any other period. The balance sheet at December 31, 2008 has been derived from the audited consolidated financial statements at that date, but does not include all information and footnotes required by GAAP for complete financial statements.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2008, as filed with the U.S. Securities and Exchange Commission ("SEC").

FACTORS AFFECTING FUTURE PERFORMANCE AND GOING CONCERN STATUS

The Company's independent public accountant included a "going concern" explanatory paragraph in his audit report on the December 31, 2008 consolidated financial statements which were prepared assuming that the Company will continue as a going concern.

The Company continues to seek external sources of funding including, but not limited to, a private placement or public offering of the Company's capital stock, the sale of selected assets, the licensing of certain product rights in selected territories, selected distribution agreements, and/or other strategic transactions sufficient to provide short-term funding, and potentially achieve the Company's long-term strategic objectives. Although the Company has had some success in licensing certain of its products in the past, no assurance can be given that the Company will do so in the future.

The Company expects that it will need to obtain additional financing or income. However, no assurance can be given that alternative sources of funding can be obtained on acceptable terms, or at all. These conditions, combined with the Company's historical operating losses and its deficits in stockholders' equity and working capital, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets and liabilities that might result from the outcome of this uncertainty.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates made in preparing the consolidated financial statements include, among others, sales returns and allowances, allowances for uncollectible receivables, cash flows used to evaluate the recoverability of prepaid licenses and royalties and

long-lived assets, and certain accrued liabilities related to restructuring activities and litigation. Actual results could differ from those estimates.

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of Interplay Entertainment Corp. and its wholly-owned subsidiaries, Interplay Productions Limited (U.K.), Interplay OEM, Inc., Interplay Co., Ltd., (Japan) the business of which was closed during the 4th quarter 2006 (immaterial to consolidated results) and Games On-line. All significant inter-company accounts and transactions have been eliminated.

NOTE 2. NOTE PAYABLE

The Company issued on June 27, 2008 to Interactive Game Group a convertible promissory note in the amount of $52,000 for consideration received in cash. The unpaid principal balance of this Convertible Note shall bear interest at a per annum rate equal to the three (3) months Libor interest rate plus one percent adjusted quarterly and due with a six month term. (Current interest rate of 2.26 %). The note is convertible into 400,000 shares of the Company's common stock price as of June 30, 2008 ($0.13 per share) which was the market price at the date of the agreement. The note was fully repaid on March 26, 2009. (See Note 7)

NOTE 3. NOTE PAYABLE TO OFFICER AND DIRECTORS

The Company issued on October 2, 2006 to the following officer and directors Herve Caen, Eric Caen and Michel Welter conditional demand notes which have since become demand notes (due to the change in control resulting from Financial Planning and Development SA's acquisition of approximately 56% of the Company's outstanding stock) bearing a 5% annual interest rate. The demand notes were issued for the earned but unpaid directors' fees to Herve Caen for $50,000, to Eric Caen for $50,000, to Michel Welter for $85,000, and for earned but unpaid salary to Herve Caen in the amount of $500,000. A total of $475,000 in principal and interest remains outstanding under the demand notes as of March 31, 2009. Interest accrued on the demand notes as of March 31, 2009 was $6,000.

NOTE 4. ADVANCES FROM DISTRIBUTORS AND LICENSEE WHICH ARE CONSIDERED DEFERRED INCOME

Non refundable but recoupable advances received by the Company for future distribution and license rights as of March 31, 2009 amounted to $818,000. These advances expire during the years of 2009 through 2012.

NOTE 5. SEGMENT AND GEOGRAPHICAL INFORMATION

The Company operates in one principal business segment, which is managed primarily from the Company's U.S. headquarters.

Net revenues by geographic regions were as follows:

	THREE MONTHS ENDED MARCH 31,			
	2009		2008	
	AMOUNT	PERCENT	AMOUNT	PERCENT
	(Dollars in thousands)			
North America	$ 47	51%	$ 0	0%
Europe	46	49	57	100
Rest of World	0	0	0	0
OEM, royalty and licensing	0	0	0	0
	$ 93	100%	$ 57	100%

NOTE 6. EMPLOYEE STOCK OPTIONS

STOCK-BASED COMPENSATION

The Company utilizes SFAS No. 123(R), "SHARE-BASED PAYMENT" ("SFAS 123R"), which requires the measurement and recognition of compensation cost at fair value for all share-based payments, including stock options and restricted stock awards.

At March 31, 2009, the Company has one stock-based employee compensation plan. Stock-based employee compensation cost approximated $4,000 as reflected in net income for the quarter ended March 31, 2009. No employee stock options were granted during the quarter ended March 31, 2009.

NOTE 7. SALE OF COMMON STOCK

On March 24, 2009 the Company sold to Microprose, LLC, an affiliate of Interactive Game Group, 5,454,967 shares of Common Stock of the Company and issued a warrant to purchase 1,677,483 shares of Common Stock of the Company for a total consideration of $327,298. Such shares and warrant were issued, and any underlying shares of Common Stock would be issued, in a private placement exempt from registration pursuant to section 4(2) of the Securities Act of 1933. Such warrant has a term of 3 years, an exercise price of $0.06, and is immediately exercisable. Out of the consideration of $327,298, $148,000 was received in cash, $126,000 was satisfied by the acquisition of certain intellectual property rights by the Company, and $53,298 was satisfied by the cancellation of the convertible promissory note (see Note 2) in the amount of $52,000 and accrued interest thereon from Interactive Game Group. These warrants were valued using the Black-Scholes Model. The amount of $ 23,000 was charged to 2009 operations.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CAUTIONARY STATEMENT

Interplay Entertainment Corp., which we refer to in this Report as "we," "us," or "our," is a developer, publisher and licensor of interactive entertainment software and intellectual properties for both core gamers and the mass market. The information contained in this Form 10-Q is intended to update the information contained in our Annual Report on Form 10-K for the year ended December 31, 2008, as amended, and presumes that readers have access to, and will have read, the "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and other information contained in such Form 10-K, as amended.

This Report on Form 10-Q contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and such forward-looking statements are subject to the safe harbors created thereby. For this purpose, any statements contained in this Form 10-Q, except for historical information, may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "intend," "could," "should," "estimate" or "continue" or the negative or other variations thereof or comparable terminology are intended to help identify forward-looking statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements.

The forward-looking statements included herein are based on current expectations that involve a number of risks and uncertainties, as well as on certain assumptions. For example, any statements regarding future cash flow, revenue or expense expectations, including those forward-looking statements in "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations", financing activities, future cash flows, cash constraints, sales or mergers and cost reduction measures are forward-looking statements and there can be no assurance that we will effect any or all of these objectives in the future. Specifically, the forward-looking statements in this Item 2 assume that we will continue as a going concern. Risks and Uncertainties that may affect our future results are discussed in more detail in the section titled "Risk Factors" in Item 1A of part II of this Form 10-Q. Assumptions relating to our forward-looking statements involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the assumptions underlying the forward-looking statements are reasonable, our industry, business and operations are subject to substantial risks, and the inclusion of such information should not be regarded as a representation by management that any particular objective or plans will be achieved. In addition, risks, uncertainties and assumptions change as events or circumstances change. We disclaim any obligation to publicly release the results of any revisions to these forward-looking statements which may be made to reflect events or circumstances occurring subsequent to the filing of this Form 10-Q with the SEC or otherwise to revise or update any oral or written forward-looking statement that may be made from time to time by us or on our behalf.

MANAGEMENT'S DISCUSSION OF CRITICAL ACCOUNTING POLICIES

Our discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these condensed consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our

estimates, including, among others, those related to revenue recognition, prepaid licenses and royalties and software development costs. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

RESULTS OF OPERATIONS

The following table sets forth certain selected consolidated statements of operations data, segment data and platform data for the periods indicated in dollars and as a percentage of total net revenues:

	THREE MONTHS ENDED MARCH 31,			
	2009		2008	
	AMOUNT	% OF NET REVENUES	AMOUNT	% OF NET REVENUES
	(Dollars in thousands)			
Net revenues	$ 93	100%	$ 57	100%
Cost of goods sold	26	28%	0	0%
Gross profit	67	72%	57	100%
Operating expenses:				
Marketing and sales	0	0%	0	0%
General and administrative	310	333%	343	602%
Product development	65	70%	67	117%
Total operating expenses	375	403%	410	719%
Operating income (loss)	(308)	(331)%	(353)	(619)%
Other (expense) income	44	48%	9	15%
Net income (loss)	$ (264)	(283)%	$ (344)	(604)%
Net revenues by geographic region:				
North America	$ 47	51%	$ 0	0%
International	46	49%	57	100%
OEM, royalty and licensing	0	0%	0	0%
	$ 93	100%	$ 57	100%
Net revenues by platform:				
Personal computer	$ 57	61%	$ 52	91%
Video game console	36	39%	5	9%
OEM, royalty and licensing	0	0%	0	0%
	93	100%	57	100%

NORTH AMERICAN, INTERNATIONAL AND OEM, ROYALTY AND LICENSING NET REVENUES

Geographically, our net revenues for the three months ended March 31, 2009 and 2008 breakdown as follows: (in thousands)

	2009	2008	CHANGE	% CHANGE
North America	$ 47	$ 0	$ 47	100%
International	46	57	(11)	(19)%

OEM, Royalty & Licensing	--	--	--	n/a
Net Revenues	$ 93	$ 57	$ 36	63%

Net revenues for the three months ended March 31, 2009 were $93,000, an increase of 63% compared to the same period in 2008. This increase resulted from a 100% increase in North American net revenues and a 19% decrease in International net revenue.

North American net revenues for the three months ended March 31, 2009 were $47,000. The increase in North American net revenues in 2009 was mainly due to a 100% increase in back catalog sales.

OEM, royalty and licensing net revenues for the three months ended March 31, 2009 were $0. There were no OEM Licensing deals during the first quarter of 2009.

International net revenues for the three months ended March 31, 2009 were $46,000. The decrease in International net revenues for the three months ended March 31, 2009 was mainly due to a 19% decrease in back catalog sales.

PLATFORM NET REVENUES

Our platform net revenues for the three months ended March 31, 2009 and 2008 breakdown as follows: (in thousands)

	2009	2008	CHANGE	% CHANGE
Personal Computer	$ 57	$ 52	$ 5	10%
Video Game Console	36	5	31	620%
OEM, Royalty & Licensing	--	--	--	n/a
Net Revenues	93	57	36	63%

PC net revenues for the three months ended March 31, 2009 were $57,000, an increase of 10% compared to the same period in 2008. The increase in PC net revenues in 2009 was primarily due to increase of back catalog sales. Video game console net revenues were $36,000, an increase of 620% for the three months ended March 31, 2009 compared to the same period in 2008, due to the royalties earned from electronic distribution of back catalog titles.

COST OF GOODS SOLD; GROSS PROFIT MARGIN

Our net revenues, cost of goods sold and gross margin for the three months ended March 31, 2009 and 2008 breakdown as follows: (in thousands)

	2009	2008	CHANGE	% CHANGE
et Revenues	$ 93	$ 57	$ 36	63%
Cost of Goods Sold	26	--	26	100%
Gross Profit Margin	67	57	10	18%

Cost of goods sold related to PC and video game console net revenues represents the manufacturing and related costs of interactive entertainment software products, including costs of media, manuals, duplication, packaging materials, assembly, freight and royalties paid to developers, licensors and hardware manufacturers. Cost of goods sold related to royalty-based net revenues primarily represents third party licensing fees and royalties paid by us. Typically, cost of goods sold as a percentage of net revenues for video game console products is higher than cost of goods sold as a percentage of net revenues for PC based products due to the relatively higher manufacturing and royalty costs associated with video game console and affiliate label products. We also include in the cost of goods sold the amortization of prepaid royalty and license fees paid to third party software developers. We expense prepaid royalties over a period of six months commencing with the initial shipment of the title at a rate based upon the number of units shipped. We evaluate the likelihood of future realization of prepaid royalties and license fees quarterly, on a product-by-product basis, and charge the cost of goods sold for any amounts that we deem unlikely to realize through future product sales.

Our cost of goods sold increased 100% to $26,000 in the three months ended March 31, 2009 compared to the same period in 2008.

Our gross margin decreased to 72% for the 2009 period from 100% in the 2008 period.

MARKETING AND SALES

Our marketing and sales expense for the three months ended March 31, 2009 and 2008 breakdown as follows: (in thousands)

	2009	2008	CHANGE	% CHANGE
Marketing and Sales	n/a	n/a	n/a	n/a

Marketing and sales expenses primarily consist of advertising and retail marketing support, sales commissions, marketing and sales personnel, customer support services and other related operating expenses. Marketing and sales expenses for the three months ended March 31, 2009 were $0 a 100% decrease compared to the 2008 period.

GENERAL AND ADMINISTRATIVE

Our general and administrative expense for the three months ended March 31, 2009 and 2008 breakdown as follows: (in thousands)

	2009	2008	CHANGE	% CHANGE
General and Administrative	$ 310	$ 343	$ (33)	10%

General and administrative expenses primarily consist of administrative personnel expenses, facilities costs, professional fees, bad debt expenses and other related operating expenses. General and administrative expenses for the three months ended March 31, 2009 were $310,000 a 10% decrease as compared to the same period in 2008. The decrease is mainly due to a $33,000 decrease general expenses.

PRODUCT DEVELOPMENT

Our product development expenses for the three months ended March 31, 2009 and 2008 breakdown as follows: (in thousands)

	2009	2008	CHANGE	% CHANGE
Product Development	$ 65	$ 67	$ (2)	(3)%

Product development expenses were $65,000, a 3% decrease as compared to the same period in 2008.

OTHER EXPENSE (INCOME), NET

Our other expense (income) for the three months ended March 31, 2009 and 2008 breakdown as follows: (in thousands)

	2009	2008	CHANGE	% CHANGE
Other Expense (Income)	$ (44)	$ (9)	$ 55	611%

Other Expense (Income) consists primarily of interest expense on debt in the amount of $10,000, foreign currency exchange transactions loss of $4,000, other nonrecurring income of ($30,000) and additional miscellaneous adjustments of ($28,000).

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2009, we had a working capital deficit of approximately $2,241,000, and our cash balance was approximately $124,000.

During 2007 we sold "Fallout" to a third party and entered into, subject to satisfaction of various conditions, the license back which could allow us to create, develop and exploit a "Fallout" MMOG.

We have entered into a binding letter of intent with Masthead Studios to fund the development of a Massively Multiplayer Online Game (MMOG), code named "Project: V13." The game has been in design and development at Interplay since November 2007. Masthead and Interplay teams are working together under the direction and control of Interplay to complete development of the project. As a part of the agreement, the game utilizes Masthead's proprietary tools and MMOG technology developed for Masthead's "Earthrise" project.

We are exploring ways to leverage our portfolio of gaming properties through sequels and various development and publishing arrangements. We are planning, if we can obtain financing, to develop sequels to some of our most successful games, including Earthworm Jim, Dark Alliance, Descent and MDK. We have reinitiated our in-house game development studio, and have hired game developers.

We have entered into a Game Production Agreement with Interactive Game Group which provides for the financing of the development of games under certain conditions.

We continue to seek external sources of funding, including but not limited to, incurring debt, the selling of assets or securities, licensing of certain product rights in selected territories, selected distribution agreements, and/or other strategic transactions sufficient to provide short-term funding, and achieve our long-term strategic objectives.

If we do not receive sufficient financing or income we may (i) liquidate assets, (ii) sell the company (iii) seek protection from our creditors including the filing of voluntary bankruptcy or being the subject of involuntary bankruptcy, and/or (iv) continue operations, but incur material harm to our business, operations or financial conditions. These conditions, combined with our historical operating losses and our deficits in stockholders' equity and working capital, raise substantial doubt about our ability to continue as a going concern.

Our primary capital needs have historically been working capital requirements necessary to fund our operations. Our activities generated cash of $148,000 during the three months ended March 31, 2009.

We entered into various licensing agreements during the three months ended March 31, 2009 under which we licensed others to exploit games that we have intellectual property rights to. We expect to enter into similar license arrangements to generate cash for the Company's operations during the remainder of the fiscal year.

We sold common stock of the Company to a private investor during the three months ended March 31, 2009.

No assurance can be given that funding can be obtained by us on acceptable terms, or at all. These conditions, combined with our deficits in stockholders' equity and working capital, raise substantial doubt about our ability to continue as a going concern.

OFF BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements under which we have obligations under a guaranteed contract that has any of the characteristics identified in paragraph 3 of FASB Interpretation No. 45 "Guarantors Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others". We do not have any retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement that serves as credit, liquidity or market risk support to such entity for such assets. We also do not have any obligation, including a contingent obligation, under a contract that would be accounted for as a derivative instrument. We have no obligations, including a contingent obligation arising out of a variable interest (as referenced in FASB Interpretation No. 46, Consolidation of Variable Interest Entities, as amended) in an unconsolidated entity that is held by, and material to, us, where such entity provides financing, liquidity, market risk or credit risk support to, or engages in leasing, hedging or research and development services with us.

CONTRACTUAL OBLIGATIONS

The following table summarizes certain of our contractual obligations under non-cancelable contracts and other commitments at March 31, 2009, and the effect such obligations are expected to have on our liquidity and cash flow in future periods. (in thousands)

	LESS THAN	1 - 3	3 - 5	MORE THAN

CONTRACTUAL OBLIGATIONS	TOTAL	1 YEAR	YEARS	YEARS	5 YEARS
Lease Commitments (1)	13	5	8	--	--
Total	13	5	8	--	--

(1) We had a lease commitment at the Beverly Hills office through April 2008. The Company is presently in negotiations to extend that lease but no commitments have been made. We also have a lease commitment in Irvine for our new development offices through March 31, 2009. We also have a lease commitment at the French representation office through February 28, 2011 with an option for an additional 3 years.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We do not have any derivative financial instruments as of March 31, 2009. However, we are exposed to certain market risks arising from transactions in the normal course of business, principally the risk associated with foreign currency fluctuations. We do not hedge our interest rate risk, or our risk associated with foreign currency fluctuations.

INTEREST RATE RISK

Currently, we do not have a line of credit, but we anticipate we may establish a line of credit in the future.

FOREIGN CURRENCY RISK

Our earnings are affected by fluctuations in the value of our foreign subsidiary's functional currency, and by fluctuations in the value of the functional currency of our foreign receivables.

We recognized a loss of $4,000 and $10,000 during the three months ended March 31, 2009 and 2008 respectively, primarily in connection with foreign exchange fluctuations in the timing of payments received on accounts receivable which have been from Interplay Productions Ltd.

ITEM 4T. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and interim Chief Financial Officer of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon this evaluation, our Chief Executive Officer and interim Chief Financial Officer concluded that our disclosure controls and procedures were effective, at the reasonable assurance level, in ensuring that information required to be disclosed is recorded, processed, summarized and reported within the time period specified in the SEC's rules and forms and in timely alerting him to material information required to be included in this report.

There were no changes made in our internal controls over financial reporting that occurred during the quarter ended March 31, 2009 that have materially affected or are reasonably likely to materially affect these controls.

Our management, including the Chief Executive Officer and Interim Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all fraud and material errors. An internal control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations on all internal control systems, our internal control system can provide only reasonable assurance of achieving its objectives and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, and/or by management override of the control. The design of any system of internal control is also based in part upon certain assumptions about the likelihood of future events, and there can be no can provide only reasonable, not absolute assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become

inadequate because of changes in circumstances, and/or the degree of compliance with the policies and procedures may deteriorate.

PART II - OTHER INFORMATION

.TEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in Item 1A to Part 1 of our form 10-K for the fiscal year ended December 31, 2008.

ITEM 6. EXHIBITS

(a) Exhibits - The following exhibits, other than exhibit 32.1 which is being furnished herewith, are filed as part of this report:

EXHIBIT NUMBER	EXHIBIT TITLE
3.5	Certificate of Amendment of Amended and Restated Certificate of Incorporation of the Company, as filed with Delaware Secretary of State on January 21, 2004; (refilled to reflect original execution date).
10.07	Form of warrant agreement for directors and employees of the Company; (Incorporated herein by reference to exhibit 4.1 of the Company's S-8 filed on May 2, 2008).
31.1	Certificate of Herve Caen, Chief Executive Officer of Interplay Entertainment Corp. pursuant to Rule 13a-14(a) of the Securities and Exchange Act of 1934, as amended.
31.2	Certificate of Herve Caen, Interim Chief Financial Officer of Interplay Entertainment Corp. pursuant to Rule 13a-14(a) of the Securities and Exchange Act of 1934, as amended.
32.1	Certificate of Herve Caen, Chief Executive Officer and Interim Chief Financial Officer of Interplay Entertainment Corp. pursuant to Rule 13a-14(b) of the Securities and Exchange Act of 1934, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INTERPLAY ENTERTAINMENT CORP.

Date: May 20, 2009

By: /s/ HERVE CAEN

Herve Caen,
Chief Executive Officer and
Interim Chief Financial Officer
(Principal Executive and
Financial and Accounting Officer)